

# Fund Summaries



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## OVERVIEW

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This section summarizes revenues, capital improvements, and changes in Working Capital for each of the City's operating funds. Changes in Working Capital are provided for the previous fiscal year (2005-06); the fiscal year covered by the 2006-07 Proposed Budget.

The following funds are included in this section:

### *CITY FUNDS:*

#### *General Fund*

#### *Special Revenue Funds*

- Revolving Loan Funds
- Gas Tax/State Highway Funds
- Habitat Acquisition and Restoration Fund
- Environmental Programs Fund
- Police Special Revenue Funds
- Capital Improvements Fund
- Demolition Projects Fund
- Airport Fund
- Hazardous Materials Response Fund
- CDBG Housing Funds
- CDBG General Allocation Fund
- HOME Fund
- Rental Rehab Funds
- Housing Fund

#### *Enterprise Funds*

- Water Utility
- Water Capital Projects
- Wastewater Utility
- Transit Fund
- Humboldt Bay
- Building Fund
- Golf Course Fund

# *Fund Summaries*



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## **OVERVIEW, Continued**

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### *Internal Service Funds*

- Equipment Operations Fund
- Risk Management Fund
- Information Technology Operations
- Redevelopment Administration Fund

### *Trust and Agency Funds*

- Fire and Police Retirement Fund

### *EUREKA REDEVELOPMENT AGENCY (ERA) FUNDS:*

#### *Special Revenue Funds*

- Low and Moderate Income Housing Fund

#### *Debt Service Funds*

- ERA Debt Service Funds-Phase I
- ERA Debt Service Funds-Phase II
- ERA Debt Service Funds-Eureka Tomorrow

#### *Capital Projects Funds*

- ERA Capital Projects Funds-Phase I
- ERA Capital Projects Funds-Phase II
- ERA Capital Projects Funds-Eureka Tomorrow

### *EUREKA PUBLIC FINANCING AUTHORITY (EPFA) FUNDS:*

#### *Debt Service Funds*

- EPFA Debt Service Funds

# *General Fund*

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**The General Fund** is the operating fund for the City which accounts for all the assets and resources used for financing the general administration of the City and the traditional services provided to the citizens, such as fire and police.

# General Fund Summary



## GENERAL FUND

**Working Capital-6/30/05** 2,881,896

### SOURCES:

#### Revenues:

Taxes	13,481,450
Licenses, Permits & Franchises	795,325
Intergovernmental	1,828,945
Charges for Services	2,178,297
Fines & Forfeits	211,100
Miscellaneous	287,861
Transfers from Other Funds	349,524
Other Financing Sources	2,600
Total Sources	<u>19,135,102</u>

### USES:

Operating Budgets	19,825,845
Debt Service	18,507
Projects	12,561
Transfers to Other Funds	157,530
Total Uses	<u>20,014,443</u>

**Working Capital-6/30/06** 2,002,555

### SOURCES:

#### Revenues:

Taxes	14,120,792
Licenses, Permits & Franchises	988,294
Intergovernmental	1,997,461
Charges for Services	2,676,461
Fines & Forfeits	220,015
Miscellaneous	241,695
Transfers from Other Funds	350,000
Other Financing Sources	
Total Sources	<u>20,594,717</u>

### USES:

Operating Budgets	20,967,434
Debt Service	18,734
Projects	180,702
Transfers to Other Funds	190,368
Total Uses	<u>21,357,238</u>

**Working Capital-6/30/07** \$1,240,035

# *Special Revenue Funds*

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**Special Revenue Funds** are used to account for revenues designated for financing specified activities of the City. The Special Revenue Funds of the City are:

- **Economic Development Revolving Loan Funds** - These funds are used to account for the proceeds of Community Development Block grants, as required by federal regulations. Also, reimbursement of block grant economic development loans ("program income") is receipted into these funds.
- **Gas Tax/State Highway Funds** - These funds are required by state law to account for gas tax monies allocated by the State. Taxes levied by the State on gasoline and other motor fuels are allocated among cities, counties, and the State. The funds can be used for street and road expenditures, as defined by state law. Occasionally, other street and road related grants are receipted into this fund. Other revenues include State Highway funds traded for Federal ISTEA funds (per California Senate Bill 1435). The funds can be used for the same purposes as gas tax funds (see above). Under SB 45, the State Transportation Improvement Plan provides funding for approved local street projects. Revenues are derived from both state and federal funds. Revenue received from CalTrans through the sale of property to fund projects that provide congestion relief for travel through the City is also allocated here. These funds are also used to account for revenue received from the State for the purpose of street and highway pavement maintenance, rehabilitation, and reconstruction of necessary associated facilities such as drainage and traffic devices.
- **Habitat Acquisition and Restoration Fund** - This fund is used to account for grants and other funds restricted or designated specifically for acquisition, restoration, or mitigation projects approved by the City.
- **Environmental Programs Fund** - Revenues to this fund are restricted by law for implementation of various environmental programs throughout the City, particularly solid waste source reduction.
- **Special Police Revenue Funds** - These funds are used to account for revenues from several programs which are restricted as to use for police programs. These include drug asset forfeitures, vehicle theft funds, the State supplemental law enforcement services program, traffic offender funds, abandoned vehicle abatement funds, and the California law enforcement equipment program fund.
- **Capital Improvements** - Revenues to this fund include state and federal grants and transfers from other City funds designated by Council action to be used for specified capital maintenance/improvement projects.
- **Demolition Projects Fund** - Revenues of this fund consist primarily of transfers from the General Fund and are to be used for abatement actions authorized by the Municipal Code or by the Uniform Building Code.
- **Airport Fund** - Revenues to this fund are restricted by law for maintenance and capital improvement at the Eureka Municipal Airport.

## *Special Revenue Funds*

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- **Hazardous Materials Response Fund** - This fund receives revenues from the Hazardous Materials (Hazmat) Authority, the General Fund, grants and response charges to operate the Hazmat response team.
- **CDBG Housing Fund** - This fund accounts for its housing loan programs. The CDBG (Community Development Block Grant) Housing Fund accounts for loans of federal grant funds, and program income from repayments of those loans.
- **CDBG General Allocation Fund** - This fund is used to account for Community Block Grant Funds received for developing the Multiple Assistance Center.
- **HOME Investment Partnership Program Fund** - Revenues to this fund are federal funds channeled through the state, and will be used for rehabilitation of owner-occupied homes.
- **Rental Rehab Funds** - These funds are used to account for another housing loan program, funded by state grant funds.
- **Housing Fund** - This fund is used to account for the City's local housing program, and operates as a revolving loan fund.

# Fund Summaries -

## CITY FUNDS



### SPECIAL REVENUE FUNDS

	Econ Dev./ Revolving Loan	Gas Tax/ State Highway	Habitat Acquisition & Restoration	Environmental Programs
<b>Working Capital-6/30/05</b>	\$247,272	\$591,428	(\$1,910)	\$167,698
SOURCES:				
Revenues	155,778	914,102	106,300	49,176
Transfers from Other Funds				
Total Sources	155,778	914,102	106,300	49,176
USES:				
Operating Budgets	108,081	11,333		94,506
Projects		575,064	20,712	
Transfers to Other Funds		349,524		
Total Uses	108,081	935,921	20,712	94,506
<b>Working Capital-6/30/06</b>	294,969	569,609	83,678	122,368
SOURCES:				
Revenues	111,604	1,191,800	243,626	42,376
Transfers from Other Funds				
Total Sources	111,604	1,191,800	243,626	42,376
USES:				
Operating Budgets	293,452	14,421		87,294
Projects		1,537,924	346,095	
Transfers to Other Funds		350,000		
Total Uses	293,452	1,902,345	346,095	87,294
<b>Working Capital-6/30/07</b>	\$113,121	(\$140,936)	(\$18,790)	\$77,450

# Fund Summaries -

## CITY FUNDS



### SPECIAL REVENUE FUNDS

	Police Special Revenue	Capital Improvements	Demolition Projects	Airport
<b>Working Capital-6/30/05</b>	\$492,084	\$51,799	\$48,041	\$181,701
SOURCES:				
Revenues	406,759	1,246,326	720	25,700
Transfers from Other Funds				
Total Sources	406,759	1,246,326	720	25,700
USES:				
Operating Budgets	465,357			18,162
Projects		1,510,405	5,000	
Transfers to Other Funds				
Total Uses	465,357	1,510,405	5,000	18,162
<b>Working Capital-6/30/06</b>	433,486	(212,280)	43,761	189,239
SOURCES:				
Revenues	322,850	500,600	500	24,000
Transfers from Other Funds				
Total Sources	322,850	500,600	500	24,000
USES:				
Operating Budgets	464,479			24,961
Projects		431,059	25,000	
Transfers to Other Funds				
Total Uses	464,479	431,059	25,000	24,961
<b>Working Capital-6/30/07</b>	\$291,857	(\$142,739)	\$19,261	\$188,278



# Fund Summaries -

## CITY FUNDS



### SPECIAL REVENUE FUNDS

	Hazmat Response	CDBG - Housing	CDBG - Technical & Planning	CDBG - General Allocation
<b>Working Capital-6/30/05</b>	\$34,935	\$477,592	(\$1,123)	(\$39,322)
SOURCES:				
Revenues	63,781	65,100	50,000	(3,000)
Transfers from Other Funds				
Total Sources	63,781	65,100	50,000	(3,000)
USES:				
Operating Budgets	61,303	216,277	35,000	
Projects				
Transfers to Other Funds				
Total Uses	61,303	216,277	35,000	0
<b>Working Capital-6/30/06</b>	37,413	326,415	13,877	(42,322)
SOURCES:				
Revenues	61,728	55,500	599,000	(2,000)
Transfers from Other Funds	19,738			
Total Sources	81,466	55,500	599,000	(2,000)
USES:				
Operating Budgets	83,866	392,649	615,000	
Projects				
Transfers to Other Funds				
Total Uses	83,866	392,649	615,000	0
<b>Working Capital-6/30/07</b>	\$35,013	(\$10,734)	(\$2,123)	(\$44,322)

# Fund Summaries -

## CITY FUNDS



### SPECIAL REVENUE FUNDS

	HOME Program	Rental Rehab	Housing
<b>Working Capital-6/30/05</b>	(\$130,924)	\$82,015	\$382,217
SOURCES:			
Revenues	50,000	2,700	67,300
Transfers from Other Funds			
Total Sources	50,000	2,700	67,300
USES:			
Operating Budgets	88,000		271,426
Projects			
Transfers to Other Funds			
Total Uses	88,000	0	271,426
<b>Working Capital-6/30/06</b>	(168,924)	84,715	178,091
SOURCES:			
Revenues	23,000	1,400	14,000
Transfers from Other Funds			
Total Sources	23,000	1,400	14,000
USES:			
Operating Budgets	266,050	70,000	379,478
Projects			
Transfers to Other Funds			
Total Uses	266,050	70,000	379,478
<b>Working Capital-6/30/07</b>	(\$411,974)	\$16,115	(\$187,387)

# Enterprise Funds

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**Enterprise Funds** are used to account for activities which are intended to be self-supporting or where periodic determination of net income is appropriate for management control and accountability. Costs are financed primarily through user charges. The enterprise funds of the City are:

- **Water Utility:**

**Water Utility Fund** - The Water Fund is used to account for the operation and maintenance of the City's water utility. Revenues are primarily user charges. Rates are set periodically by the City Council.

**Water Capital Projects 2000 and 2002 Fund** - This fund is used to account for the capital projects financed by the 2000 and 2002 Water Revenue Bond.

- **Wastewater Operating Fund** - The Wastewater Operating Fund is used to account for the operation and maintenance of the City's sewer utility. Revenues are primarily user charges. Rates are set periodically by the City Council.
- **Transit Fund** - Transit Fund revenues include State Transit Development Act (TDA) funds and fare revenues. These funds are used for administration and operation of the Eureka Transit System and Dial-a-Ride/Lift program, as well as the City's share of a county-wide transit system.
- **Humboldt Bay Operating Fund** - Revenues to this fund are restricted for use in the small boat basin and the Tidelands grant area and to fund the repayment of Economic Development Administration (EDA) bonds. During fiscal year 1996-97, the City received federal and state grants and state loan funding for the Small Boat Basin Rehabilitation project. Increased revenues resulting from this rehabilitation will be used to fund debt service on the loan and required reserves.
- **Building Fund** - In 1988, the building inspection, plan checking, and code enforcement functions were moved from the General Fund to a separate fund. This was done in response to recommendations from a citizens' committee. Revenues are permits and fees to maintain the construction regulation program, and transfers from the General Fund to fund the building code enforcement program.
- **Golf Course Fund** - In 1989, the City established an enterprise fund to account for operation of the Municipal Golf Course. Lease revenues are the funding source.

# Fund Summary

## CITY FUNDS



### ENTERPRISE FUNDS

	Water	Water Capital Projects	Wastewater Operating	Transit
<b>Working Capital-6/30/05</b>	2,202,603	(242,754)	4,029,518	322,681
SOURCES:				
Revenues	4,563,277	813,000	4,079,605	1,083,056
Transfers from Other Funds				115,000
Total Sources	4,563,277	813,000	4,079,605	1,198,056
USES:				
Operating Budgets	3,261,910		3,214,448	1,566,538
Debt Service	937,970		680,544	
Projects	180,611	456,470	2,360,274	
Transfers to Other Funds				
Total Uses	4,380,491	456,470	6,255,266	1,566,538
<b>Working Capital-6/30/06</b>	2,385,389	113,776	1,853,857	(45,801)
SOURCES:				
Revenues	4,665,916	500,000	5,079,984	1,152,145
Transfers from Other Funds				115,000
Total Sources	4,665,916	500,000	5,079,984	1,267,145
USES:				
Operating Budgets	3,678,392		3,917,391	1,632,660
Debt Service	871,760		262,139	
Projects	1,214,119	1,938,778	3,571,904	
Transfers to Other Funds				
Total Uses	5,764,271	1,938,778	7,751,434	1,632,660
<b>Working Capital-6/30/07</b>	1,287,034	(1,325,003)	(817,593)	(411,316)

# Fund Summary

## CITY FUNDS



### ENTERPRISE FUNDS

	Humboldt Bay Operating	Building	Golf Course
<b>Working Capital-6/30/05</b>	(831,560)	350,169	133,033
SOURCES:			
Revenues	553,876	372,604	57,800
Transfers from Other Funds	100,000	42,530	
Total Sources	653,876	415,134	57,800
USES:			
Operating Budgets	625,551	489,512	5,084
Debt Service	290,920		
Projects			20,734
Transfers to Other Funds			
Total Uses	916,471	489,512	25,818
<b>Working Capital-6/30/06</b>	(1,094,155)	275,791	165,015
SOURCES:			
Revenues	525,099	394,000	56,800
Transfers from Other Funds	100,000	55,630	
Total Sources	625,099	449,630	56,800
USES:			
Operating Budgets	681,155	606,730	9,218
Debt Service	290,920		
Projects			97,815
Transfers to Other Funds			
Total Uses	972,075	606,730	107,033
<b>Working Capital-6/30/07</b>	(1,441,131)	118,691	114,782

# *Internal Service Funds*

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**Internal Service Funds** are used to account for activities and services provided by one City organizational unit to another, financed through cost-reimbursement. The internal service funds of the City are:

- **Equipment Operations Fund** - This fund was established as an internal service fund through which City departments are charged for the use of vehicles and other equipment, based on actual operating costs. In addition, rates for vehicles and heavy equipment include a depreciation contribution factor to establish a reserve for future replacement.
- **Information Technology Operations Fund** - This fund was established to develop a reserve account for information technology equipment and software and will be used to fund future equipment and major software replacement based on an analysis of future needs. Each department is assessed an annual amount that will provide adequate funds to replace current computer and related equipment. In addition the fund provides City-wide support for all office automation equipment.
- **Risk Management Fund** - This fund is used to account for the City's workers' compensation program, General Liability and property insurance program, and group health program. In March, 1993 the City joined the Redwood Empire Municipal Insurance Fund for its workers' compensation and liability insurance programs, changing from self-insurance to a municipal insurance pool. The City will continue to administer workers' compensation claims from prior to March, 1993, and existing liability claims. In August 2002, the City changed from its group health self-insurance program and joined three separate municipal insurance pools dependent on bargaining unit. Prior claims were paid through May 2003.
- **Redevelopment Administration Fund** - This fund was established to account for administrative services provided by the City to the Redevelopment Agency.

# *Fund Summary*

## *CITY FUNDS*



### INTERNAL SERVICE FUNDS

	Equipment Operations	Risk Management	Redevelopment Admin	Information Technology Operations
<b>Working Capital-7/1/05</b>	\$1,627,900	\$674,079	\$215,154	\$357,621
SOURCES:				
Revenues	1,373,515	1,168,015	821,200	677,000
Total Sources	<u>1,373,515</u>	<u>1,168,015</u>	<u>821,200</u>	<u>677,000</u>
USES:				
Operating Budgets	1,523,225	1,308,846	883,247	693,606
Transfers to Other Funds				
Total Uses	<u>1,523,225</u>	<u>1,308,846</u>	<u>883,247</u>	<u>693,606</u>
<b>Working Capital-6/30/06</b>	<u>1,478,190</u>	<u>533,248</u>	<u>153,107</u>	<u>341,015</u>
SOURCES:				
Revenues	1,371,115	1,374,210	1,235,512	811,319
Total Sources	<u>1,371,115</u>	<u>1,374,210</u>	<u>1,235,512</u>	<u>811,319</u>
USES:				
Operating Budgets	1,655,231	1,395,886	1,010,388	858,770
Transfers to Other Funds				
Total Uses	<u>1,655,231</u>	<u>1,395,886</u>	<u>1,010,388</u>	<u>858,770</u>
<b>Working Capital-6/30/07</b>	<u>\$1,194,074</u>	<u>\$511,572</u>	<u>\$378,231</u>	<u>\$293,564</u>

## *Trust Funds*

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**Trust Funds** are used to account for assets held in a trustee capacity for others.

**Police and Fire Retirement Fund** - This fund is a pension trust fund which was established to account for resources used to fund the City's local fire and police retirement system, which no longer has any active members. Previously funded by property taxes, the system is now funded by transfers from the General Fund.



# *Fund Summary*

## *CITY FUNDS*



### **TRUST FUND**

	Fire & Police Retirement
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<b>Working Capital-6/30/05</b>	\$948,054
SOURCES:	
Revenues	445,000
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Total Sources	445,000
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USES:	
Operating Budgets	487,819
Transfers to Other Funds	
Total Uses	487,819
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<b>Working Capital-6/30/06</b>	905,235
SOURCES:	
Revenues	445,000
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Total Sources	445,000
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USES:	
Operating Budgets	484,412
Transfers to Other Funds	
Total Uses	484,412
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<b>Working Capital-6/30/07</b>	\$865,823
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*Eureka Redevelopment Agency*  
*Fund Summaries*

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## *Special Revenue Funds*

### *Redevelopment Agency*



**Special Revenue Funds** are used to account for revenues designated for financing specified activities of the Redevelopment Agency (Agency). The Special Revenue Fund of the Agency is:

- **Low and Moderate Income Housing Fund** - This is a Redevelopment Agency Fund established pursuant to California Redevelopment Law to account for the deposit of twenty percent of tax increment revenues received by the Redevelopment Agency. The funds are to be used to increase and improve the community's supply of low and moderate income housing.

## *Debt Service Funds*

**Debt Service Funds** are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest of the Redevelopment Agency. Revenues for this purpose include property tax increment and related interest. The Agency maintains three debt service funds, one for each project area of the Agency. The project areas are: Century III Phase I; Century III Phase II; and Eureka Tomorrow. Tax increment revenues are used to repay City advances, loans from the Eureka Public Financing Authority, for the Low and Moderate Income Housing Fund twenty percent setaside required by state law, and for other legitimate redevelopment activities, such as administration and tax collection fees.

## *Capital Projects Funds*

**Capital Projects Funds** are used to account for capital improvements of the Redevelopment Agency which are financed by proceeds of tax allocation bonds and City advances. The Agency has three capital projects funds, one for each project area of the Agency. The project areas are: Century III Phase I; Century III Phase II; and Eureka Tomorrow.

# Fund Summary



## REDEVELOPMENT AGENCY FUNDS

	Low & Moderate Income Housing	ERA Debt Service- Phase I	ERA Debt Service- Phase II	ERA Debt Service- Eur. Tom.
<b>Working Capital-6/30/05</b>	\$3,583,379	\$144,563	\$473,009	(\$275,408)
SOURCES:				
Revenues	568,100	156,016	273,652	3,319,854
Transfers from Other Funds	846,754			
Other Financing Sources				
Total Sources	<u>1,414,854</u>	<u>156,016</u>	<u>273,652</u>	<u>3,319,854</u>
USES:				
Operating Budgets	1,580,110	24,395	35,505	390,825
Debt Service		58,378	107,093	1,736,239
Projects				
Transfers to Other Funds		31,902	61,266	4,793,717
Total Uses	<u>1,580,110</u>	<u>114,675</u>	<u>203,864</u>	<u>6,920,781</u>
<b>Working Capital-6/30/06</b>	<u>3,418,123</u>	<u>185,904</u>	<u>542,797</u>	<u>(3,876,335)</u>
SOURCES:				
Revenues	63,000	165,377	290,071	3,519,045
Transfers from Other Funds	788,750			
Other Financing Sources				
Total Sources	<u>851,750</u>	<u>165,377</u>	<u>290,071</u>	<u>3,519,045</u>
USES:				
Operating Budgets	2,186,509			213,000
Debt Service		96,718	135,010	1,977,584
Projects				
Transfers to Other Funds		32,312	55,703	5,064,076
Total Uses	<u>2,186,509</u>	<u>129,030</u>	<u>190,713</u>	<u>7,254,660</u>
<b>Working Capital-6/30/07</b>	<u>\$2,083,364</u>	<u>\$222,251</u>	<u>\$642,155</u>	<u>(\$7,611,950)</u>

# Fund Summary



## REDEVELOPMENT AGENCY FUNDS

	ERA Capital Projects- Phase I	ERA Capital Projects- Phase II	ERA Capital Projects- Eur. Tom.
<b>Working Capital-6/30/05</b>	\$75,983	\$220,693	\$1,976,963
SOURCES:			
Revenues	1,500	4,400	58,900
Transfers from Other Funds			4,040,131
Other Financing Sources			
Total Sources	<u>1,500</u>	<u>4,400</u>	<u>4,099,031</u>
USES:			
Operating Budgets			110,000
Debt Service			
Projects		746	2,077,765
Transfers to Other Funds			100,000
Total Uses	<u></u>	<u>746</u>	<u>2,287,765</u>
<b>Working Capital-6/30/06</b>	<u>77,483</u>	<u>224,347</u>	<u>3,788,229</u>
SOURCES:			
Revenues	1,000	4,000	49,100
Transfers from Other Funds			4,363,341
Other Financing Sources			
Total Sources	<u>1,000</u>	<u>4,000</u>	<u>4,412,441</u>
USES:			
Operating Budgets			
Debt Service			
Projects			2,213,458
Transfers to Other Funds			100,000
Total Uses	<u></u>	<u></u>	<u>2,313,458</u>
<b>Working Capital-6/30/07</b>	<u>\$78,483</u>	<u>\$228,347</u>	<u>\$5,887,212</u>

*Eureka Public Financing Authority*  
*Fund Summaries*

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## *Debt Service*

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**A Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest of the Authority. The debt service fund of the Eureka Public Financing Authority (EPFA) was established to repay principal and interest of tax allocation revenue bonds. Debt service payments are made from proceeds of loan repayments from the Eureka Redevelopment Agency.

# *Fund Summary*



## **PUBLIC FINANCING AUTHORITY FUNDS**

### **EPFA Debt Service**

#### **Working Capital-6/30/05**

(\$6,182)

#### **SOURCES:**

Revenues

688,646

Total Sources

688,646

#### **USES:**

Debt Service

678,343

Total Uses

678,343

#### **Working Capital-6/30/06**

4,121

#### **SOURCES:**

Revenues

660,300

Total Sources

660,300

#### **USES:**

Debt Service

678,343

Total Uses

678,343

#### **Working Capital-6/30/07**

(\$13,922)